

Mike Parker stated that he was sent notification of the September 4, 1991 Shareholders Meeting by fax 48 hours in advance. He stated that this constituted him not receiving notice until 2 days before the Shareholders Meeting.

Ben Bowers stated that he didn't get notification of this meeting until yesterday.

Mike Parker spoke of percentages of STV, Reading issues, and that 4 Shareholders of STV, Reading have court injunctions against Dr. Aurandt.

Mike Parker spoke of resigning as President of STV, Reading.

Ben Bowers asked Mike Parker why he would be resigning as President of STV, Reading.

At this point, Dr. and Mrs. Aurandt, Jack Linton, and Mr. Schlagel returned to the Shareholders Meeting.

Mike Parker stated that Dr. Aurandt wanted to fire him on three separate occasions. Mike Parker stated that Dr. Aurandt sent letters to the Shareholders. Mike Parker stated that in all three instances, the issues went back for Board of Director review and discussion.

Mike Parker enumerated Dr. Aurandt's request for modification in the Management Services Agreement. Mike Parker stated that all modifications and modifications to the Management Services Agreement were agreed to and approved by the Board of Directors. Mike Parker stated that in February of 1991, Dr. Aurandt again wanted to cancel the contract. This issue again went to the Board of Directors. The result of this Board of Directors meeting was that Dr. Aurandt resigned his position and that Mike Parker was elected President of R.B.I.

Mike Parker stated that a condition of Dr. Aurandt's resignation was that he would have no "communication with anyone". Mike Parker stated that it took "only a few weeks" for this agreement to be breached.

Mike Parker spoke of walking into a meeting with Meridian Bank with financial projections. Mike Parker stated that Dr. Clymer had instructed him to request a smaller loan with a more workable repayment schedule. Mike Parker stated that Dr. Aurandt had already furnished the Bank with projections showing R.B.I. making "all kinds of money", in excess of Mike Parker's projections. Mike Parker stated that he was forced into a position of being negotiated against by the Corporation.

Mike Parker responded to the opinion of Counsel that the shares of the Corporation were "improperly issued". Mike Parker stated that if the shares were refused to be issued, this would be in violation of the Plan of Reorganization.

Mike Parker explained that the shares were issued based on the dollar amount of what each individual had invested. He said that interest was figured in to the date of entry.

Mike Parker stated that Dr. Aurandt said he received his Founder's shares for \$3.00 per share. Mike Parker stated that Dr. Aurandt said he should get these shares for \$10.75 per share like everyone else.

Mike Parker stated that he had offered half the shares out of his account, but that Mike Parker couldn't vote the 6 1/4 per cent.

Mike Parker stated that if there was a check for \$100,000.00 that he wanted to be furnished with it. Mike Parker stated that Jerry LaManna indicates that on December 31, 1982, there was a check for \$100,000.00 from Dr. Aurandt. Mike Parker stated that on the December 31, 1983 books, it is reclassified as a payable to R.E.I., not classified to Dr. Aurandt.

Mike Parker stated that Dr. Aurandt sent letters to some of the STV, Reading investors. Mike Parker stated that those letters were "totally and completely inaccurate". Mike Parker stated that the letters "almost killed" the Plan of Reorganization. He stated that the attorney for some of the STV, Reading investors responded in a letter, "outraged".

Mike Parker stated that negotiations took place. He stated that it was all "taken care of". Mike Parker stated that Dr. Aurandt wanted three demands. Mike Parker stated that Partel, Inc. wouldn't be affected on two of the demands, but that the Shareholders would. Mike Parker stated that a meeting was called for September 14, 1991, at which time Partel, Inc. was fired. Mike Parker stated that Jack Linton has not stated a reason for the dismissal.

Jack Linton was asked for the reason for the Partel, Inc. dismissal.

Jack Linton stated that he won't go into it.

Mike Parker stated that Partel, Inc. had to be terminated for "intentional malfeasance". He spoke of the proxies asked for in Dr. Aurandt's letter. Mike Parker stated that he signed the agreement and he--

Jack Linton stated that he had signed, as well.

Mike Parker stated that Jack Linton was the Corporate Secretary.

There was a question of payment schedules.

Jack Linton spoke of payment issues, and said that "this will be determined".

Mike Parker stated that at a Board of Directors meeting on July 31, 1991, Marvin Mercer had said that unanimous Board of Directors approval was needed in order for the Plan of Reorganization to work. Mike Parker stated that Jack Linton had signed the Consent Resolution.

Jack Linton explained the numerous "drop dead" dates of the Company which were needed to come out of bankruptcy. Jack Linton referred to the date to come out of bankruptcy of August 4th or 5th of 1991, and then referred to the preceeding date and the preceeding one and the preceeding one.

Dr. Clymer inquired whether time constraints forced these decisions.

Mike Parker asked Jack Linton if Mike Parker was a "swindler".

Jack Linton stated that he is "not saying a swindler", but that Mike Parker had done some things that are "dishonest".

Mike Parker stated that he would say the "same" about Jack Linton, "probably more so".

Mike Parker stated that Dr. Aurandt resigned in February, 1991. Mike Parker spoke of the withholding tax not being taken out of Dr. Aurandt's salary.

Dr. Clymer stated that he found out for the first time and that there would be a liability for damages if the I.R.S. found out.

Mike Parker stated that the I.R.S. garnished Dr. Aurandt's salary. Mike Parker stated that the I.R.S. stated that the Corporation was liable and responsible. He stated that the I.R.S. will audit R.B.I.'s books and Dr. Aurandt's books. Mike Parker stated that the proper forms have been ordered to file.

Jack Linton questioned this in reference to the February, 1991 meeting.

Mike Parker stated that Partel, Inc. was liable, as well.

Jack Linton asked liable for what.

Mike Parker referred to payroll taxes and STV, Reading, Inc.

Mike Parker stated that Dr. Aurandt's salary issue was internal, and that it had been settled at the Board of Directors meeting in February of 1991. He stated that it had been agreed to continue Dr. Aurandt's salary for another six months.

Mike Parker stated that Marvin Mercer has a report for the Shareholders this evening.

Marvin Mercer began his report (please see attached). He referred to the meeting at which the salary issue was discussed.

Mr. Schlagel asked which meeting Marvin Mercer was referring to.

Marvin Mercer stated that it was the late February, 1991 Board of Directors meeting. Marvin Mercer stated that he learned that the federal withholding tax had not been taken from Dr. Aurandt's salary. Marvin Mercer stated that when Dr. Aurandt was removed from the Board of Directors, it was agreed that his salary would continue for a "limited period of time". Marvin Mercer stated that at the time, Dr. Aurandt had said that he needed the income from the Company for living expenses, and that if he didn't get the income, he "will take the Company down with him".

Ben Bowers asked if Dr. Aurandt had, indeed, said that.

Jack Linton asked if this report was "factual".

Dr. Clymer stated that he had heard Dr. Aurandt say this.

Ben Bowers asked Marvin Mercer if Marvin Mercer was running for a seat on the Board of Directors.

Marvin Mercer continued his report. He stated that in February of 1991, he had learned that the federal withholding tax had not been taken out. Marvin Mercer stated that Bankruptcy Code limits the maximum compensation in compliance with notice requirements. He referred to Section E. Marvin Mercer stated that the last date of payment is the 45th day after the Certification of Service request for relief. He stated that the authority to pay anyone noted shall cease after that date, or it will continue until the bankruptcy court authorizes otherwise.

Marvin Mercer spoke of the December 12, 1986 loan consideration. Included in this discussion, Marvin Mercer referred to the Ortiz loan, Dr. Aurandt's consulting fees, and payroll checks beginning in 1987 of between \$36,000.00 and \$39,000.00 per year.

Marvin Mercer stated that this was never approved by the Board of Directors. He referred to a discussion with Alan Dubroff. Marvin Mercer stated that as a consequence of the foregoing, R.B.I. didn't have the right to pay Dr. Aurandt. Marvin Mercer stated that R.B.I. lacked the authority to pay Dr. Aurandt, and that he was told that any portion of compensation in excess of the marketable value must be returned.

Marvin Mercer referred to a memo from Dr. Aurandt to Mike Parker and Marvin Mercer. Marvin Mercer stated that in the memo, Dr. Aurandt states that he had asked Alan Dubroff about the consulting fee in late November of 1986.

Marvin Mercer referred to checks used by R.B.I. to purchase computer equipment.

Marvin Mercer spoke of the I.R.S. filing a garnishment writ against Meridian Bank for STV, Reading, Inc.

Marvin Mercer stated that Alan Dubroff stated that the Bankruptcy Court does not have jurisdiction over STV, Reading, Inc. Marvin Mercer referred to \$21,000.00, and stated that this distribution could have only come from Retained Earnings or excess Paid-In Capital.

Marvin Mercer stated that Dr. Aurandt was issued a payroll check, which he hadn't picked up. He stated that Dr. Aurandt demanded to have the check. Marvin Mercer stated that he then called the I.R.S. Marvin Mercer stated that he was told by the I.R.S. that if R.B.I. gave Dr. Aurandt the check, R.B.I. would be responsible.

Marvin Mercer spoke of the check register and checks being mailed to his office. Marvin Mercer stated that no checks had been drawn since.

It was stated that the I.R.S. was called and Dr. Aurandt could still draw checks--

Marvin Mercer stated that "what we feared"--

Jack Linton asked who's "we".

Marvin Mercer stated that "we" represents the C.E.O., the Directors, Partel, Inc., and Barbara Williamson.

Marvin Mercer stated that he was told that Mike Parker was getting his counsel, and that Dr. Aurandt was getting his attorney. Marvin Mercer referred to a call to Mr. Schlagel and a call from Jack Linton.

Marvin Mercer spoke of later discovering that Ray Schlagel is the Board of Directors attorney. Marvin Mercer stated that Mike Parker can't write checks, but that he can veto them as General Operating Officer. Marvin Mercer stated that there is no basis for this other than "intelligent conjecture".

Dr. Clymer stated that he had been apprised, and that he couldn't see depleting the resources between two "would-be Officers".

Marvin Mercer spoke of the question of the \$100,000.00. He stated that the cancelled check couldn't be furnished. He spoke of legal issues of stock certificates and garnishment issues. Marvin Mercer stated that shares can't go to Dr. Aurandt, as there is a responsibility to the garnishing parties.

Marvin Mercer referred to the basis of the claim for Dr. and Mrs. Aurandt. He referred to the exhibit. Marvin Mercer stated that he didn't understand the division of shares, and stated that there was "only a small portion" of shares given in both of their names. He stated that Dr. Aurandt has the "larger number" of shares. Marvin Mercer spoke of cancelling the issue of shares and reissuing them. He stated that doing this may constitute "engaging in fraudulent conveyance".

Marvin Mercer referred to a telephone call which he received from Mr. Schlagel asking for the stock book.

Irvin Cohen left the meeting.

Marvin Mercer read a memo from Dr. Aurandt to Marvin Mercer (please see attached). Marvin Mercer stated that all shares were issued to Meridian Bank. He stated that after the garnishment order, Dr. Aurandt has a \$4,000.00 Administrative Creditor claim. Marvin Mercer spoke of sending 50 per cent now, or \$2,000.00. He stated that this couldn't be paid, as the Corporation would be liable for it.

Marvin Mercer stated that after R.B.I. was forced into bankruptcy, the Corporation needed counsel. He stated that the Corporation had told Alan Dubroff that at the time, it couldn't pay a retainer, but could pay, at a later time, after the approval of the fee petitions.

Marvin Mercer began a discussion of Class G Creditors. He spoke of Dr. Aurandt being removed as President and read a 1990 letter to the Masseys (please see attached) releasing claims against Dr. Aurandt. This would take stock called for in the Plan of Reorganization and release Dr. Aurandt. Marvin Mercer stated that further, if R.B.I. didn't go through with the Plan of Reorganization, Dr. Aurandt would keep the stock.

Marvin Mercer spoke of Class G Creditors who rejected the Plan of Reorganization needing to be paid in-full, limiting what the Shareholders would receive. He spoke of the Masseys apprising Joseph Hettrick of the Plan of Reorganization. Marvin Mercer stated that there were considerations to release Dr. Aurandt from the claim. Marvin Mercer stated that in conjunction with negotiations, there were telephone conversations with Jack Linton and Dr. Aurandt. Marvin Mercer spoke of Dr. Aurandt not being a Debtor and not being entitled to a discharge. Marvin Mercer referred to a telephone conversation in February of 1991 and a discussion of acceptance of new stock in lieu of the debt.

Marvin Mercer spoke of the letter that went out in solicitation of ballots. He stated that this could have forced the entire Plan of Reorganization "to be pulled".

Marvin Mercer stated that on December 2, 1986, \$4,000.00 was issued to Dr. Henry Aurandt from a Hamilton Bank check noted as a loan repayment. Marvin Mercer stated that he "then wrote a check on the same day to himself" for loan-Ortiz-consultation.

Mr. Schlagel stated that Marvin Mercer has Dr. Aurandt's explanation on that issue.

Marvin Mercer spoke of funds needing to be put into the Corporation to meet payroll amounting to \$5,300.00. He stated that this amount of loan repayment was needed to bridge the interval before the arrival of the Home Shopping Network check.

Marvin Mercer referred to what he termed "the tendency to operate the Corporation without any regard to the Bankruptcy Code". He stated that the Corporation just couldn't "go out and borrow money".

Marvin Mercer discussed pre-petition loans. He stated that Dr. Aurandt may "be very well correct". Marvin Mercer stated that there was "just no proof, other than Dr. Aurandt's statement", that a transaction transpired.

Jack Linton stated that he has questions. He asked when the garnishment of R.B.I. against Dr. Aurandt occurred.

Marvin Mercer stated that it was after Mike Parker had received the order.

Jack Linton inquired as to when Mike Parker received the order.

Mike Parker spoke of getting documents.

Jack Linton asked whether Mike Parker had given him the order at the October, 1991 meeting.

Mike Parker said that yes, he had.

Jack Linton asked if there was a question with Pat Dunne before that and whether Pat Dunne was told to garnish.

Marvin Mercer stated that he had instructed it.

Jack Linton stated that he had called Pat Dunne. Jack Linton stated that Pat Dunne had stated that it was Marvin Mercer. Jack Linton stated that when he'd heard it was Marvin Mercer, he was "appalled". Jack Linton stated that it was Marvin Mercer who had it garnished.

Marvin Mercer stated that he "had to stop the manipulating".

Mr. Schlagel inquired as to whether Marvin Mercer had called Joseph Hettrick, as well.

Mike Parker spoke of removing all the Directors.

Jack Linton stated that we don't think it's a valid meeting.

Marvin Mercer stated that he was pointing out that Jack Linton was asking in the capacity of a Shareholder.

Mike Parker continued to finish giving report.

Ben Bowers referred to a document that was a part of the material handed out. It was a 2-page letter, not dated or signed. Ben Bowers asked if it was a fax.

Marvin Mercer stated that it was a copy of a fax.

Alison Rotenberg asked Ben Bowers, as a Shareholder, what "agenda" he was following. Alison Rotenberg stated that Mr. Bowers was, as she termed it "behaving like a fool". She stated that, speaking for the other Shareholders, "we're reasonable people". She stated that Mr. Bowers was not lending any "credibility" to himself.

Ben Bowers introduced himself as Dr. Aurandt's half-brother.

Jack Linton asked Marvin Mercer if the Corporation had entered into a contract with Jeff Miller.

Marvin Mercer stated that yes, it had.

Jack Linton asked if Marvin Mercer had engaged in a conversation with Jeff Miller.

Marvin Mercer stated that yes, he had.

Jack Linton stated that you, as Bankruptcy Counsel, had no knowledge--

Marvin Mercer stated that he hadn't been involved before 1989. Marvin Mercer stated that he had told Mr. Miller that the contract had not been approved by the Bankruptcy Court. He stated that even if it had been submitted, it had not been approved.

Jack Linton asked which Directors approved it.

Mike Parker stated that all of the Directors approved it and that it was paid in-full.

Marvin Mercer stated that Mr. Miller contacted Shelley Bendetti about the Corporation being in default of payments. Marvin Mercer stated that the Corporation made payments for Mr. Miller's benefits and applied these payments to what was owed him. He

stated that when the amount owed Mr. Miller came to \$700.00, he was going to give Mr. Miller a check for \$700.00 and a release to sign. Marvin Mercer stated that this would have constituted "full payment". He stated that Mr. Miller had said that the payment of the benefits was not applicable against the cost of what was owed him. Marvin Mercer stated that it was not a valid contract, but that the Corporation honored it. He stated that the Corporation was willing to give Mr. Miller the money if he signed the release. When the release wasn't signed, the check was not issued by Marvin Mercer.

Jack Linton asked Marvin Mercer what he told Mr. Miller about signing the contract. Jack Linton stated that if Mr. Miller sued us--

Dr. Clymer inquired as to the "relevancy" of this.

Jack Linton stated that it is "important to see who has authority".

A discussion ensued about who was right.

Dr. Clymer spoke of "that great hiatus period of 6-7 years", and said for that period, we--

Jack Linton inquired about who's "we".

Dr. Clymer spoke of the Directors, and referred to Jack Linton's duties as legal counsel and personal attorney.

Jack Linton stated that it was all agreed to at a Board of Directors meeting.

Dr. Clymer spoke of a doctor who has a patient. He stated that the patient better follow the doctor's orders.

Dr. Clymer stated that when Mr. Mercer is attacked, he asked that Jack Linton "look at own situation".

Jack Linton stated that he agreed.

Mike Parker asked Jack Linton if he was the Secretary of STV, Reading, Inc.

Jack Linton stated that yes, he was, "at one time".

Mike Parker asked if Jack Linton could explain the checks.

Jack Linton stated that Mike Parker was familiar with it, and that they'd talked about it.

Jack Linton further noted that Marvin Mercer was refusing to answer questions.

Ben Bowers asked that the original fax from Alan Dubroff be produced.

Marvin Mercer stated that the actual piece of paper was not there. He stated that copies were.

Mike Parker stated that he had the original.

Marvin Mercer provided Ben Bowers with copies of the 2-page fax from Alan Dubroff.

Ben Bowers requested Marvin Mercer to sign and date what he'd just read to the Shareholders.

Dr. Stoudt raised a question about the Movie Store.

Mike Parker stated that this pertained to STV, Reading. Mike Parker stated that he wanted an "accounting of those funds", and that he had asked the I.R.S. to do an audit of STV's books.

Mike Parker stated that a point has been reached. He spoke of the salary question, and not being approved by Bankruptcy Court. Mike Parker stated that what was approved was \$1,000.00 per month. Mike Parker inquired whether the approval came in 1983 or 1984. Mike Parker stated that when he arrived at R.B.I., he was told by Dr. Aurandt and Jack Linton that it was approved.

Dr. Clymer stated that he was never told until that meeting that Dr. Aurandt was receiving a salary. Dr. Clymer referred to this as a "sordid business". He stated that "they may have their own opinions as to where blame lies", but that he tended to think of Abraham Lincoln's philosophy about a house divided not standing.

Dr. Clymer stated that he's listened to Mike Parker and Dr. Aurandt for "a long time". Including a "long meeting" until 1:00 A.M. Dr. Clymer stated that Mike Parker made some "lousy business decisions". Dr. Clymer stated that he was charged with auditing expenses. He stated that he was "always opposed" to the Partel, Inc. contract. He stated that the profit in the Partel, Inc. contract was "calculated inappropriately".

Dr. Clymer spoke of hearing arguments along the way. He stated that he was in Florida in reference to Dr. Aurandt's first communication stating why the Board of Directors should remove Mike Parker. Dr. Clymer stated that he communicated Dr. Aurandt's communique to Mike Parker.

Dr. Clymer spoke about what he termed "sides". Dr. Clymer stated that he doesn't take "sides" when the Shareholders' interests are at stake. Dr. Clymer stated that he didn't like what he termed the "tone", and said that it sounded to him as though it was one of "you're either with me or against me".

Dr. Clymer stated that he audited Partel, Inc.'s expenses against "valid receipts for claims". He stated that he found a discrepancy for Linda Hendrickson. This claim was agreed to be invalid, and the claim subsequently withdrawn.

Dr. Clymer spoke of what he called a "discouraging thing" of what Dr. Aurandt seemed to him to be doing. Dr. Clymer stated that he has heard Dr. Aurandt say that he's saved the Corporation, and that he's done things in order to save the Corporation. Dr. Clymer stated that it seemed to him that these claims were similar to "putting out a fire in your own house and then saying, 'I set it, too'".

Dr. Clymer stated that "no proper records" were kept, but that the Corporation found a formula with Home Shopping Network that worked to the extent of keeping the Corporation out of Chapter 7. Dr. Clymer stated that he couldn't see why more of an attempt wasn't made to get the Corporation out of Chapter 11. Dr. Clymer stated that in a review of Board of Directors meeting minutes from about 1987, there were attempts at a sale, "all of which failed".

Dr. Clymer stated that it was his conclusion that Dr. Aurandt had to get Mike Parker "to get more knowledge than he had" about getting out of bankruptcy. Dr. Clymer stated that "the minute" Mike Parker got close, Dr. Aurandt had the "inability", like an "inventor", to "let loose". Dr. Clymer stated that he'd already brought this up with Dr. Aurandt and Jack Linton. Dr. Clymer stated that it seemed to him that Dr. Aurandt may have felt as though Mike Parker was trying to "get it away". Dr. Clymer stated that he may be wrong, but that it is his "honest opinion".

Dr. Clymer stated that Dr. Aurandt is what he termed "rolling like a cannon on a loose deck". He stated that Dr. Aurandt has agreed to terms, and then breached the agreements. Dr. Clymer stated that this has caused legal fees and delays. Dr. Clymer stated that after a number of instances, and after Dr. Aurandt had resigned, that Dr. Clymer had said to Dr. Aurandt that he was "inept".

Dr. Clymer spoke of now being at the point of "choosing sides". He concluded that in order to give the Corporation any opportunity for survival, it needs to keep current on its debt. Dr. Clymer stated that he estimates that the Corporation needs to operate for 2 years with a good payment performance. He stated that at that time, he felt that someone may finance the tower move or buy the whole operation, and that someone may get something out of it.

Dr. Clymer stated that "this has gotten to a point where there can't be compromise".

Mike Parker stated that the Reverend Frank McCracken hasn't been advised of this controversy, and may not want to proceed. Mike Parker stated that during Board of Directors meetings, items were discussed, resolutions were signed, and everyone knew what was in the Plan of Reorganization.

Mike Parker stated that it doesn't matter what Mike Parker votes, but that working for expenses only doesn't make him money. Mike Parker stated that he'd told Mr. Schlager that Dr. Clymer and Mike Parker opposed Mr. Schlager being the Corporation's attorney. Mike Parker stated that no one has given him any reason for letting him go.

Mike Parker stated that he wasn't going to agree "to give up Dr. Aurandt's stock without proof", and that he wasn't going to grant the salary. Mike Parker stated that Dr. Aurandt has signed every check, or had the checks stamped and then initialed.

Mike Parker stated that "for someone to call me a swindler, I can't work with the man". Mike Parker stated that he hasn't "written a single check".

Mike Parker stated that Jack Linton has contributed to the Corporation coming out of bankruptcy, that Dr. Fischer has contributed, that Dr. Clymer has contributed, and that Dr. Aurandt has contributed. Mike Parker stated that what Dr. Aurandt did to him was not what helped the Company.

Mike Parker stated that he believed that STV, Reading, Inc., among other entities, needed "an accounting". He stated that "there were funds that should not have gone to Dr. Aurandt that did".

Mike Parker urged Shareholders to vote for the 5 seats. He stated that Irv Cohen had already left, but that before he left, he agreed to serve on the Board of Directors.

Jack Linton stated that he wanted to bring up a couple of points. He stated that as Mike Parker will recall, Jack Linton moved not to terminate the Partel, Inc. contract the first time. Jack Linton referred to a meeting that was called by Mike Parker, at which Mike Parker wanted to see if everyone could work together. Jack Linton stated that he had said that "both were costing too much money" for the Corporation.

Jack Linton asked about the budget projections, and whether Mike Parker had finished them.

Mike Parker stated that no, they have not been sent out yet.

Jack Linton stated that there was going to be a Board of Directors meeting this evening, and a Shareholders' Meeting scheduled for November 12, 1991.

Dr. Clymer spoke of serving the Corporation. He stated that he "will not make further attempts" if Dr. Aurandt is involved. Dr. Clymer stated that this was due to having "no confidence".

Jack Linton stated that he has "the same feeling" about Mike Parker.

Dr. Clymer stated that Mike Parker has a contract.

Jack Linton stated that it "depends on whether he does or not".

Dr. Clymer stated that it is his observation that Mike Parker has more "ability". He stated that when "morality" and "motives" were questioned, these eluded him.

Jack Linton stated that Dr. Clymer had indicated that he thought they were "both pathological liars".

Dr. Clymer stated that he has "changed" his assessment. He stated that the observation was made "very early" in the relationship. Dr. Clymer stated that Mike Parker was "a lot more glib" earlier on. He stated that he has "confidence" in Mike Parker now to a "fair degree", and "none" in Dr. Aurandt.

Jack Linton stated that when he met with Mike Parker, what Mike Parker told him--

Mike Parker stated that Jack Linton has "contributed heavily to this organization".

Mike Parker spoke about the finalizing of loan documents and the finalizing of financial reports. He spoke of the need for a set of books to show if the Corporation is making money or not.

Nelson Long returned to the meeting.

Dr. Clymer stated that as a Director, he needed to insist on getting an accounting firm to give the Corporation a "barometer" of how it is doing. He stated that the Corporation needs financials to know what it's doing. He stated that this was "one of the first things" that he'd told Dr. Aurandt. Dr. Clymer stated that he didn't know if the earlier financials were "improper or not". He stated that now someone can see what is needed to make the Corporation more profitable and what course of action to take to measure the results.

Mike Parker introduced Nelson Long, C.P.A. from Beard & Co.

Nelson Long updated the Shareholders. Nelson Long stated that Beard & Co. was retained by P.B.I. in the summer of 1989 to perform accounting duties. He stated that these duties included normal compliance, mechanizing the system, putting it on the computer.

Mr. Long spoke of the tax return for December 31, 1989. He stated that there was uncertainty about the tax return for December 31, 1988, so they "forced" what was in the middle. He spoke of the "huge" operating loss carry-forward. He spoke of another tax return for December 31, 1990.

Included in the update, Mr. Long referred to the monthly General Ledger, the Cash Receipts Journal, the Cash Payments Journal, the booking of transaction transferring the rights from the sale of the tower, the recording of Administrative Creditors' claims and liabilities relating to those claims, and the recording of the forgiveness and indebtedness with Meridian Bank amounting to \$1.3 million.

It was stated that R.E.I. has been accruing at a rate of 16 percent per month, knowing that it "wouldn't have to pay it". On September 18, 1991 the Corporation was able to generate a Balance Sheet and for the month of October, 1991, a monthly Income Statement. It was stated that to do an audited statement, however, would require "a lot of money".

Dr. Clymer stated that if it wasn't for the "good offices" of Meridian Bank, this project would have "gone down the tubes a long time ago". He stated that Meridian Bank could have put the Corporation into Chapter 7 "at any time".

Mr. Long stated that there are copies of federal tax returns that will be made available to any of the Shareholders who request them.

Ben Bowers inquired as to whose information these financials were based on.

Mr. Long stated that he received the information from Mike Parker.

Jack Linton stated that it was "probably never audited".

Ben Bowers wanted to know what of the information to Mr. Long has been provided by Mike Parker.

Ben Bowers stated that he has listened to what he termed "a one-sided presentation". He stated that he has been acting in such a manner because no one here has any "significant broadcast" knowledge. Ben Bowers stated that the Board of Directors does not have "a lot of broadcast experience".

Ben Bowers stated that he is a Certificate holder. He stated that the difference was that he has worked for the Corporation for a period of approximately two and a half years. He stated that during that time, he worked far in excess of normal business hours. He stated that he felt that this differentiated him from the other Shareholders.

Ben Bowers stated that he also attended the September 14, 1991 Shareholders Meeting. He stated that there was what he termed "a conflict of interest" involving Marvin Mercer and the Corporation and Marvin Mercer and Mike Parker. He stated that Marvin Mercer "could not be objective to the point of thinking about it".

Ben Bowers spoke of "the admission" by Dr. Clymer that it was in Dr. Clymer's opinion that Mike Parker was a "pathologic liar", and--

Dr. Clymer told Ben Bowers not to misquote him.

Ben Bowers stated that he "yielded" to Dr. Clymer's views of Mike Parker. Ben Bowers spoke of Partel, Inc. coming here with personnel to "suck it off for his own coporation".

Ben Bowers stated that the Shareholders are being told that they're going to get stock, and that they'll get money--

Dr. Clymer stated that there was "a possibility of doing this".

Ben Bowers stated that the way it stands now, the Corporation will be in Chapter 7 or Chapter 11 and a "white knight" will come out of the woodwork. He stated that he felt that if Management "spent less time with lawyers", the Corporation would be moved by now.

Ben Bowers then spoke of "intentional malfeasance".

Dr. Clymer asked Ben Bowers to speak in order to be clear.

Ben Bowers stated that Mike Parker questioned the definition of what "intentional malfeasance" was. Ben Bowers stated that it was "malfeasance" because Mike Parker "won't go along with things".

Ben Bowers told the Shareholders that they are making a "serious decision", and that they were getting a "loaded slate" here.

Mr. Wholbruck responded to members of Boards of Directors who don't have product knowledge. He stated that the majority of those who serve on the Boards of Directors of major corporations don't possess product knowledge.

Ben Bowers stated that the Shareholders were "not going to like it". He stated that if he was on the Board of Directors, he would do what he could--

Marvin Mercer spoke of the charge of having a conflict of interest. Marvin Mercer stated that he represents "a couple corporations" for Mike Parker, but that he has not been paid. He stated that in response to the question of his capacity at the September 14, 1991 meeting, he was there as Bankruptcy Counsel for the Corporation at Mike Parker's request.

Marvin Mercer stated that all of his conversations have been done at the direction of Mike Parker.

Marvin Mercer stated that there were other statements agreed to by Dr. Aurandt. Those discussions needed to be agreed to in order to issue the stock. Marvin Mercer stated that the issues discussed were not the "bad things" that Mike Parker was supposed to have done, only what the share issues were.

Mr. Schlagel asked Marvin Mercer if Schnader, Harrison, Segal & Lewis has issued a written opinion.

Mike Parker stated that Schnader, Harrison, Segal & Lewis has issued only a verbal opinion.

Mr. Schlagel asked if Mike Parker was stating that Schnader, Harrison, Segal & Lewis hadn't issued a written opinion.

Mike Parker stated that they had not. He stated that if they had, it would have "cost this company thousands".

Mr. Schlagel stated that he didn't have to be told this. Mr. Schlagel stated that he had read the letter.

Dr. Clymer stated to Jack Linton that he should "remember well" what Dr. Clymer's sentiments were. Dr. Clymer stated that he had referred to Mike Parker and Dr. Aurandt "fighting over a dead horse that's beginning to stink". Dr. Clymer stated that the "horse" is beginning to "stink" because its "flesh is putrid by being cut by attorneys".

Mike Parker stated that through all of it, the Bank lowers the interest payments.

Ben Bowers asked Mike Parker about security for the loan.

Mike Parker stated that half of the profits will be escrowed. He spoke of the 12 1/2 per cent figure. Mike Parker stated that Meridian Bank would retain the principal as a guarantee. He spoke of a number of revisions to the Plan of Reorganization. The Bank came back and stated that if the Corporation was in default, they wouldn't agree to pay what was guaranteed.

Mike Parker stated that the Plan of Reorganization was revised. Instead of keeping the amount in escrow, it would be loaned back to R.B.I. at 8 per cent. In terms of cost, it would be the same. But the Bank would see that it would be paid off quicker. Mike Parker stated that Partel, Inc. would then take the Bank's position.

Mike Parker stated that he's "more than happy" the Corporation is not "under the gun". Mike Parker stated that he is not here to inherit a company that's not successful".

Mike Parker stated that this was the opinion of a judge he'd talked to yesterday.

Ben Bowers asked what would happen if the contract was terminated 10 years from now.

It was stated that if they can't do it for cause, they had better give a reason.

It was stated that if that vote goes through, the Corporation will "never" get Partel, Inc. out of its position.

Dr. Clymer stated that he didn't "give a damn if Parker gets anything out of this".

Ben Bowers asked if this meant that Dr. Clymer was in favor of "interminable contracts".

Jack Linton stated that he would like to retain the letter that Marvin Mercer had given to Ben Bowers. It was the letter that Ben Bowers had asked Marvin Mercer to sign and date. Instead of being signed and dated, it said "Kiss My Ass".

Mike Parker began the voting procedure. He went over the nominees again. He stated that Shareholders could vote for all, or vote for one.

Carolyn Hyman-Brooks explained about cumulative voting. She stated that there were 5 seats available. She stated that each Shareholder's shares have been multiplied by 5 in order to arrive at the total number of votes. She stated that the Shareholders could vote all of their shares for one seat, or divide them among the 5 seats, and that would be the total number.

The ballots started being returned.

Mike Parker began a discussion of the fourth item of the ballot involving garnishment by the I.R.S. (please see attached).

Mike Parker stated that this has been gone over in some detail. He stated that he has been served a garnishment order, which he has turned over to Jack Linton. Mike Parker stated that he has been served by 4 judgement creditors in total who ordered a garnishment of all shares under the Plan of Reorganization. Mike Parker stated that he has sent letters indicating direction.

Jack Linton stated that he had provided information before on the debenture.

Mike Parker stated that he just had to find out whose name it is.

Jack Linton stated that's why the stock was "issued improperly".

Mike Parker spoke of the loans. He referred to Dr. Aurandt's request to issue the shares to Dr. Aurandt and Mrs. Aurandt. The issue of the pension plan was discussed. Mike Parker stated that he felt that the "best" way was to turn the documents over to a court.

Mr. Schlagel asked if Bankruptcy Counsel had any opinions on this.

Jack Linton stated that he will not issue shares for what he considers a "fraudulent transaction". He stated that he will elicit the court to do it. He stated that Mr. Hettrick and the I.R.S. will work to see that the Bank gets what is owed them.

Jack Linton questioned if Mike Parker was opposed to the 6th Modification of the Plan of Reorganization in accordance to how the shares were issued.

Mike Parker stated that he disagreed with Jack Linton's "interpretation" of it.

Jack Linton asked what the language of the Exhibit said.

Dr. Clymer spoke of can't being able to settle a legal question between two opposing points of view.

Jack Linton stated that Marvin Mercer should have never have made that call, and stated that it was a court of "incompetency".

Marvin Mercer stated that he was going to "sue" Jack Linton.

Jack Linton said for Marvin Mercer to "go ahead".

Mike Parker stated that he intended to resolve the dispute. He stated that the Shareholders should know how he feels on this issue. He stated that it may be that the Corporation doesn't "owe any stock to Dr. Aurandt", and stated that the Corporation "may choose to view them as loan repayment".

Jack Linton questioned that if this was done, it represented a compromise, including to Partel, Inc.

Mike Parker stated that after February, the answer is "yes".

A motion was made to adjourn.

Mike Parker apologized that the meeting could not be adjourned at this point. He stated that the votes needed to be counted and on record before the meeting could be adjourned.

Mike Parker stated that he thinks the Bankruptcy Court will order another meeting of the Shareholders.

Jack Linton asked Mike Parker if this was Mike Parker's "legal opinion".

Mike Parker stated that there were "enough lawyers around here".

At 9:40 PM, Carolyn Hyman-Brooks came back to the meeting with the tabulation of Shareholder votes.

It was stated that the Judge of the Election provided the talley.

Carolyn Hyman-Brooks read from the tabulation (please see attached for listing in the event of any discrepancies):

Mike Parker.....	249,311 Votes
Irvin Cohen.....	341,341 Votes
Dr. Clymer.....	249,311 Votes
Reverend McCracken.....	249,311 Votes
Judge Rose.....	249,311 Votes

There was a declaration by the Judge of the Elections.

Upon motion by Mr. Wohlbruck and seconded by Dr. Morrow, the meeting was adjourned.

STATEMENT FOR THE PURPOSE OF OBJECTING TO THE
TRANSACTION OF ANY BUSINESS AT AN ALLEGED SHAREHOLDERS MEETING

I am Raymond C. Schlegel, Esquire and, along with Jack A. Linton, Esquire, a former shareholder in and the present secretary of Reading Broadcasting, Inc., am attending this meeting for the sole purpose of objecting at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. This objection is being made pursuant to Section 1705(b) of the Business Corporation Law of 1988 and Article IX, Section 4 of the By-Laws of the Corporation.

We are objecting to the calling and the holding of a claimed shareholders meeting because at the present time there are no shareholders in Reading Broadcasting, Inc. The interest of the shareholders in the corporation under the terms of the amended sixth modification of the corporation's fourth amended Plan of Reorganization became null and void on September 17, 1991, the effective date of the Plan.

On September 14, 1991, the last meeting of the shareholders of the corporation was held at which time a new Board of Directors was elected by a two-thirds majority. The new board was comprised of the prior Board plus the filling of one vacancy. Following that shareholders meeting, the Board of Directors of the corporation met and approved the termination of the Management Services Agreement between the corporation and Partel, Inc. by reason of the

intentional misfeasance of Mike Parker, an officer of Partel, Inc., in the performance of his duties under the Agreement. By reason of that termination, any attempted issuance of stock by Mr. Parker after September 14, 1991 was completely without authority and therefore null and void. For the same reason the call of or any notice given by Mr. Parker of this meeting was a nullity. Further, although Mr. Parker requested the Secretary to call a shareholder's meeting in November he never asked him to call such a meeting for today.

In addition, even assuming that the contract had not been then terminated, the duties and authority of Partel related only to managerial, operational, consulting and other services necessary to manage and operate the Station. The authority of Partel did not extend to such fundamental corporate matters as the issuance of stock certificates. This was recognized in Paragraph 6.a. of the Partel Agreement.

The issuance of stock certificates in this corporation has been customarily performed by the president and secretary of the corporation. In this connection, the bylaws require that the stock certificates are to have the corporate seal affixed, which seal has always been in the custody of Mr. Linton, the Secretary of the Corporation.

The shares claimed to have been issued to you as putative shareholders were allocated by Mr. Parker in a fashion to skew the

voting power of the shareholders of the corporation in favor of Partel, Inc. and against the former shareholders of the corporation.

For all of the foregoing reasons, we object to the transaction of any business at this meeting and at any meeting of any directors elected at this meeting. Should you, notwithstanding this objection, proceed with the transaction of any business, the present duly constituted officers and directors of the corporation will take appropriate action in the appropriate forum to enjoin any attempt to act on the basis of this invalid and unlawfully convened meeting.

ATTACHMENT E

Minutes of RBI Directors' Meeting
June 1, 1992

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF READING
BROADCASTING, INC.

A meeting of the Board of Directors of Reading Broadcasting, Inc. was held on Monday, June 1, 1992 at 7:00 PM at the company condo located at 61-5 Mint Tier, Laurel Springs, Reading, Berks County, Pennsylvania.

Present were:

Irvin Cohen
Reverend Frank McCracken
Dr. Robert Clymer
Judge H. Charles Rose
Micheal Parker

representing the Directors of the Corporation.

Also present were:

H. Marvin Mercer, III--Corporate Secretary and Bankruptcy Attorney--
Krusen Evans & Byrne
Linda Hendrickson--Partel, Inc.
Barbara Williamson--WTVE-TV 51 (Office Manager)

Mike Parker called the meeting to order. Minutes of the previous meeting were read by each Board member. A few grammatical errors were noted by Dr. Clymer.

Upon motion duly made by Dr. Clymer and seconded by Frank McCracken, and unanimously carried, it was

RESOLVED, that the minutes of the February 4, 1992 Board of Directors Meeting were approved with the understanding the grammatical errors would be corrected.

Mike Parker then explained that normally he wouldn't bring a programming issue like this to the Board but because of his relationship with Dr. Scott he has a conflict and would like Board approval of the following transaction. RBI had produced a P.I. for Ninja Enterprises and that they had asked that we place the P.I. on Channel 51 as well as Dr. Scott's stations. Mike told the Board that Dr. Scott had agreed to run the P.I. on his network if RBI runs Dr. Scott's service on Sundays for 2 hours. The first \$180.00 that is received each week for the sale of the P.I. on Dr. Scott's network will be paid to RBI to reimburse us for the \$180.00 we would lose from HSN. After that, Dr. Scott will receive \$6.50 per tape and RBI will receive \$1.00 per tape. RBI will receive the full \$7.50 for any tapes sold through our station.

Upon motion duly made by Dr. Clymer and seconded by Frank McCracken, and unanimously carried, it was

RESOLVED, that Dr. Scott will run on Channel 51 for 2 hours every Sunday morning in exchange for RBI receiving the first \$180.00 each week from the sale of the Ninja PI on his stations as well as \$1.00 from each subsequent tape sale.

Mike Parker advised the Board that we are checking into moving the office to a new location as we no longer need a building this size. Mike also advised the Board that he would be checking with Albright College to see if they would be interested in either leasing or buying the property. Mike advised the Board he will advise them as discussions proceed.

Each Board member was given a copy of the Construction Permit Extension that we received from the FCC. The extension is now good until October 28, 1992.

Each Board member was given a copy of the December 31, 1991 General Ledger that was prepared by Beard & Company. Irv Cohen asked that a P&L Statement be prepared so the Board can see the progress of the company. Mike Parker advised the Board that Beard & Company will have the year end audit done by June 15, 1992 and that the General Ledgers should be up to date by that time also.

The Board was then given a copy of a memorandum to Jack Linton from Mike Parker outlining the terms of RBI's settlement with Dr. Aurandt and Jack Linton. (A copy of the memorandum is attached to these minutes.) Irv Cohen

expressed concern over item #10 saying Mike Parker should not have first right of refusal if Dr. Aurandt has a purchaser for his option, but that the current stockholders and/or Board members should have the first right of refusal on a pro-rata basis. Mike agreed that this change would be made.

Upon motion duly made by Dr. Clymer and seconded by Irv Cohen, and unanimously carried, it was

RESOLVED, that this agreement between RBI and Dr. Aurandt and Jack Linton be accepted with the change made in #10 and with the understanding that any other major changes to the settlement must be brought before the Board for approval.

Upon motion duly made, seconded and unanimously carried, the meeting was adjourned.